² Jun 1976

Mr. James T. Lynn, Director Office of Management and Budget Washington, D.C. 20503

Dear Mr. Lynn:

This submits proposed legislation in accordance with Office of Management and Budget Circular No. A-19, revised. Enclosed are six copies of a draft bill, "To amend the National Security Act of 1947, as amended, and for other purposes." Also enclosed are copies of a sectional analysis, a comparison with existing law, cost analysis, and drafts of the letters of transmittal to the President of the Senate and the Speaker of the House of Representatives.

The proposed legislation amends Section 102 of the National Security Act of 1947 by creating, in lieu of the one Deputy Director of Central Intelligence currently provided for in that Section, two Deputy Directors: a Deputy Director of Central Intelligence for the Central Intelligence Agency and a Deputy Director of Central Intelligence for the Intelligence Community. The proposed legislation authorizes the Director to delegate to each of the Deputy Directors any of the authorities vested in him by virtue of his position as Director of Central Intelligence and as head of the Central Intelligence Agency. It provides that the Director and Deputy Directors shall be appointed by the President with the advice and consent of the Senate. It provides further that the positions of Director of Central Intelligence and Deputy Director of Central Intelligence for the Central Intelligence Agency shall not be occupied simultaneously by a commissioned officer of the armed services.

The National Security Act of 1947 established the Office of Director of Central Intelligence as executive head of the Central Intelligence Agency. Among his responsibilities under the Act, the Director is charged with the oversight and coordination of the foreign intelligence community. Over the years, this latter supra-departmental responsibility has become increasingly important. The President, through Executive Order 11905, has recently taken steps to further enhance the role of the Director in coordinating the activities of the intelligence community.



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The Director's expanding duties in administering the intelligence community, handling relations with other components of the Government, serving as the Government's principal foreign intelligence adviser, and passing on broad questions of policy, leave him less time for day-to-day supervision of the Agency. It has become apparent that the Director must have the support of two deputies if he is to function effectively in his dual role as administrative head of the Central Intelligence Agency and overall coordinator of the intelligence community.

In this connection, the President's Commission on CIA Activities Within the United States has recommended the creation of two statutory deputies to improve supervision and management of the Central Intelligence Agency and to assist the Director in his community responsibilities. The President has already taken administrative action to this effect in Executive Order 11905 by directing the Director of Central Intelligence to delegate the day-to-day operation of the CIA to the Deputy Director of Central Intelligence and by creating the position of "Deputy to the Director of Central Intelligence for the Intelligence Community" to assist the Director in his supervision of the intelligence community. Because of the nature of their respective positions and the responsibility imposed upon them, it is recognized that it would be desirable for both deputies to be politically accountable officials -- appointed by the President and confirmed by the Senate. In addition, the Senate Select Committee on Intelligence in its Final Report specifically recommended elevating the deputy position created in Executive Order 11905 to a statutory position of Deputy Director of Central Intelligence for the Intelligence Community.

Your advice is requested as to whether there is any objection to the submission of the proposed legislation to the Congress from the standpoint of the Administration's program.

Sincerely,

/s/ George Bush Agned 2 gen 76

George Bush Director

Enclosures

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